

EXHIBIT M

EXHIBIT M

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA, SAN JOSE DIVISION

IN RE: HIGH-TECH EMPLOYEE)
ANTITRUST LITIGATION) No. 11-CV-2509-LHK

-HIGHLY CONFIDENTIAL-

VIDEOTAPED DEPOSITION OF EDWARD LEAMER

San Francisco, California

Tuesday, June 11, 2013

Volume II

Reported by:

ASHLEY SOEVYN

CSR No. 12019

Job No. 1682449

Pages 477 - 856

Page 477

1 BY MR. MITTELSTAEDT: 09:49:53

2 Q. Correct. 09:49:53

3 A. So that in order to draw causal conclusions 09:49:54

4 from a nonexperimental data set, you've got to have 09:49:56

5 a conceptual framework that describes the mechanisms 09:50:01

6 or the paths by which that causal effect had an 09:50:04

7 impact. 09:50:08

8 Q. Okay. You -- I don't think that answers 09:50:10

9 the question. You've done two things here. You've 09:50:11

10 done a correlation analysis, and then you did what 09:50:13

11 you call a correlation regression, correct? 09:50:16

12 MR. GLACKIN: Object to the form. 09:50:23

13 THE WITNESS: I don't think I called it 09:50:24

14 correlation regression, but I did -- I did two kinds 09:50:25

15 of correlations and a variety of data plots and also 09:50:27

16 the regression analysis. 09:50:32

17 BY MR. MITTELSTAEDT: 09:50:37

18 Q. Okay. You did a title by title correlation 09:50:37

19 analysis of comp structure. That's one thing you 09:50:39

20 did, right? 09:50:44

21 A. I did two of those correlation studies. 09:50:45

22 Q. And then you did title by title multiple 09:50:48

23 regressions? 09:50:50

24 A. That's correct. 09:50:52

25 Q. Okay. I'm talking about the first set of 09:50:52

1 things you did, the correlation analysis. Do you 09:50:54
2 agree you cannot draw any causal conclusion from 09:50:56
3 that first correlation, that first set of 09:51:01
4 correlation analysis that you did? 09:51:05

5 A. I think that's an overly broad statement, 09:51:07
6 so I disagree with that. 09:51:10

7 Q. Isn't it true that the correlations you 09:51:13
8 found in that first set before you got to the 09:51:18
9 regression, could come from variables like market 09:51:20
10 forces that operate on numerous titles and thus 09:51:23
11 affect the average of all titles? 09:51:27

12 MR. GLACKIN: Object to the form. 09:51:29

13 THE WITNESS: I've already answered that 09:51:30
14 hypothetical in the affirmative, that that doesn't 09:51:32
15 alter the fact that the correlations themselves are 09:51:34
16 evidence and can be interpreted as such. 09:51:37

17 BY MR. MITTELSTAEDT: 09:51:43

18 Q. And to see if you could go that far, that's 09:51:43
19 why you did the regressions, right? 09:51:46

20 MR. GLACKIN: Object to form. 09:51:49

21 THE WITNESS: "To go that far"? 09:51:50

22 BY MR. MITTELSTAEDT: 09:51:51

23 Q. To draw -- to try to draw a causal 09:51:53
24 connection to say what's causing the correlation. 09:51:55
25 That's why you had to do the regression, right? 09:51:58

HIGHLY CONFIDENTIAL

1 A. Well, I think the better way of saying it 09:52:01
2 is their regressions to kind of the sensitivity 09:52:03
3 analysis. That the correlations themselves, so many 09:52:06
4 being positive -- the comovements were all these 09:52:07
5 these titles. I think it's by itself evidence of an 09:52:07
6 internal structure of the firms and it is a 09:52:13
7 remarkable degree of comovements. And I agree that 09:52:18
8 that isn't necessarily a statement about causality, 09:52:22
9 but still it's a rather remarkable outcome. And 09:52:25
10 then what I've done is carried out sensitivity 09:52:29
11 analysis by including other variables that include 09:52:32
12 the possibility that there are external effects, in 09:52:36
13 order to demonstrate that those correlations are not 09:52:38
14 entirely misleading. 09:52:42
15 Q. Let me ask you the question this way. Do 09:52:44
16 you agree that the correlation of title compensation 09:52:52
17 and class compensation that you say you found could 09:52:54
18 come from variables that operate on both the titles 09:52:57
19 and the class compensation at the same time, for 09:53:04
20 example, market forces? 09:53:08
21 A. Well, I've answered that already in the 09:53:10
22 affirmative in the previous deposition, but that's a 09:53:12
23 strictly hypothetical statement. And it may or may 09:53:14
24 not apply in this setting. And I would say it 09:53:17
25 actually does not apply. 09:53:20

Page 529

HIGHLY CONFIDENTIAL

1 STATE OF CALIFORNIA) ss:
2 COUNTY OF MARIN)
3

4 I, ASHLEY SOEVYN, CSR No. 12019, do hereby
5 certify:

6 That the foregoing deposition testimony was
7 taken before me at the time and place therein set
8 forth and at which time the witness was administered
9 the oath;

10 That the testimony of the witness and all
11 objections made by counsel at the time of the
12 examination were recorded stenographically by me,
13 and were thereafter transcribed under my direction
14 and supervision, and that the foregoing pages
15 contain a full, true and accurate record of all
16 proceedings and testimony to the best of my skill
17 and ability.

18 I further certify that I am neither counsel for
19 any party to said action, nor am I related to any
20 party to said action, nor am I in any way interested
21 in the outcome thereof.

22 IN THE WITNESS WHEREOF, I have transcribed my
23 name this 17th day of June, 2013.
24

25 
ASHLEY SOEVYN, CSR 12019

Page 856